

MINNEAPOLIS HERITAGE PRESERVATION COMMISSION

ROOM 317, CITY HALL
350 SOUTH FIFTH STREET
MINNEAPOLIS, MN 55415-1385

PERMIT REVIEW/PUBLIC HEARING MINUTES

APRIL 8, 2003

5:00 P.M.

The meeting was called to order at 5:05 p.m. **Present:** Commissioners Anderson, Dunn, Glancy, Housum, Koski (left at 6:01), Stevens (arrived at 5:07). **Excused Absences:** Neiswander, Nordstrom. **Unexcused Absence:** Lindquist. **Staff Present:** Amy Lucas, Greg Mathis, Rose Triplett

PERMIT REVIEW/PUBLIC HEARING

1. **40 Power Street, St. Anthony Falls Historic District, by Mintahoe Hospitality Group and the Minneapolis Park and Recreation Board, for an Historic Variance and a Certificate of Appropriateness for a 12'0" x 26'0" painted wall sign 52'0" above grade. (Staff, Greg Mathis)**

Greg Mathis presented the staff report recommending HPC make two motions, one for the Historic Variance and one for the Certificate of Appropriateness.

First, staff recommends that the HPC adopt staff findings for the Historic Variance and forward to the City Council a recommendation to approve an Historic Variance to allow the proposed 12'0" tall by 26'0" painted wall sign subject to the following condition:

1. The Historic Variance is only valid for the proposed 12'0" x 26'0" wide painted wall sign. The sign cannot change in any way. If the sign is removed or painted over, a new application for an Historic variance shall be required.

Second, staff recommends that the HPC adopt staff findings for the Certificate of Appropriateness and approve a Certificate of Appropriateness for the painted wall sign as proposed with the following condition:

1. The Certificate of Appropriateness is only valid if the City Council approves an Historic Variance for the sign.

The public hearing was then opened.

Pauline Hoogmoed from Mintahoe Hospitality Group, the tenant and co-applicant with Minneapolis Park and Recreation Board spoke. They are doing renovations to preserve the building. They would

like to mark the building, to make people aware of its existence and to make more revenue for the Park Board and themselves. There are people who have never noticed the building is there. There is currently no signage at all and the building is setback in the park. There are a great number of trees, so even if a sign there was a lower sign, it would never be seen from any distance. Research shows that there was a sign at this location. She tried to mimic where the sign that was there before and design the sign in the same style. The proposed sign can be seen from the road.

No one else wished to speak for or against the application. The public hearing was then closed and Commissioner comments taken.

MOTION by Commissioner Anderson to **adopt** the staff recommendation, to adopt the staff findings for the Historic Variance and forward a recommendation to the City Council to approve an Historic Variance to allow the proposed 12'0" x 26'0" painted wall sign subject to the staff recommended condition. **SECOND** by Commissioner Housum. **MOTION APPROVED** with no abstentions.

MOTION by Commissioner Koski to adopt the staff recommendation, to adopt the staff findings for the Certificate of Appropriateness and approve a Certificate of Appropriateness for the painted wall sign as proposed, subject to the staff recommended condition. **SECOND** by Commissioner Dunn. **MOTION APPROVED** with no abstentions.

2. **2836 11th Avenue South, Stewart-Cerro Grain Elevator, Historic Resource, by Hennepin County, for a demolition permit to demolish the building.** Staff, Amy Lucas).

Ms. Lucas presented staff report recommending the HPC adopt staff findings and approve the Certificate of Appropriateness for the demolition with the following condition:

1. The HPC will be a concurring party in the upcoming Memorandum of Agreement and will be allowed to comment on the mitigation proposals.

The public hearing was then opened.

Daniel Taylor with Hennepin County Community Works gave a PowerPoint presentation of the ideas for reuse of the grain elevators.

Commissioner Housum questioned the lead-based paint. She asked if the elevators are being demolished to correct and unsafe or dangerous condition on the property. Mr. Taylor stated that there is lead-based paint and asbestos on the exterior of the building at this time. The county has allocated a million dollars to remove the lead-based paint and asbestos from the building. If the building is demolished, the material could be encapsulated and removed off site. This would be an easier process.

Commissioner Koski queried finding Number 6, the preference being demolition of the existing structure to seek development proposals. Could that not happen simultaneously or have the existing

building stand while seeking RFP's. Mr. Taylor said he will be engaging Mid-Town Phillips to come up with a process for review guidelines for the new development site. They will then search for developers with those guidelines for the process. They are planning to go after the RFP, but before the demolition is completed, so they would know exactly what would be on this site.

Commissioner Grover questioned the figures provided by the Kodet Architecture Group. He thought the figures to be low considering the building market. For proposal Number 2, the circulation factor was not included. To compare the two costs with the proposals the \$1.80 per square foot for proposal Number 3 and the \$2.68 for proposal Number 2 is about one and half times different. A lot of the reactions to this have been because of the discrepancy between these two figures. The figures are actually closer.

No one else wished to speak for or against the application. The public hearing was then closed and Commissioner comments taken.

Commissioner Housum said she does not understand the guidelines, taking Commissioner Grover's comments and the materials that provided that the County would recover its investment by reusing the property over 31 years and if they razed this historic resource and build new condos that it will take 69 years for the county to recover its investment. How can we conclude that there are no possible alternatives to a demolition. The County has considered three alternatives. There could be others that ought to be considered. She was surprised and disappointed that the County is proposing to demolish the elevators on such flimsy grounds.

Commissioner Grover said there are issues with the figures. Some of these are going to cost multi-million dollars in demolition, to redevelop, to raise it and tear it down. Just the fact that the market study was very obvious in stating that all of these proposals being outside of the cost of what the market is in that neighborhood. He said he is hesitant to go ahead with this thought of developing this property. The proposal now to develop with 33 units in the range of the upper 200,000 to 300,000 dollar range when the study states that the condos last year sold for \$106,000. Why demolish the elevator now, before the RFP's and proposals come? This is all speculative at the moment. The elevator is a white elephant. The city has had white elephants in the past and has turned them into economically viable historic resources.

Commissioner Messenger said grain elevators do not make good housing. There are a couple of examples of that in the city. From the beginning they were problematic and there was foreclosure on the entire building and resale by the banks. They have finally gotten those buildings into compliance. The grain elevators as they sit are also dangerous, there was a child that fell into the elevators, not certain if it was this site or not. She does not believe there is a viable use for them as they sit. She is not opposed to the demolition, as long as the demolition is in concurrence with a plan that the County would come forth with.

Steve Cramer, Director of the Department of Housing, Community Works and Transit at Hennepin County addressed the Commission. He asked the HPC to put it into the right context. The real objective for the Mid-Town corridor has been to create a transit/pedestrian infrastructure that will

have a positive impact on South Minneapolis. The largest investment that the County has made over the years has been in the Mid-Town Greenway. This grain elevator had to be acquired, to remove the one remaining freight rail user in the corridor, so the corridor could become an important amenity for the community. There never has been the idea that this would be acquired and preserved as a historic resource. That was not in our mind when the investment was made. He hopes to raze this building and create an access point to the greenway, which is the larger goal here. Ultimately they want to create a positive redevelopment, focused on housing that will also relate well with housing. He concurs that grain elevators do not make good housing. With respect to white elephants that have become crown jewels within our community, to make that transformation requires the consumption of public resources at a time when we are resource short. This does not stack up as one of those opportunities. The better course is the suggestion that we have made and is supported strongly by the community and by the elected officials of the area.

Commissioner Housum said she lives near Calhoun-Isles, near the greenway is a grain silo. There were difficulties with rehabbing it for housing, but it has been a very successful project. They are appreciating like mad. The record before us does not reflect that there are other uses. The HPC needs to consider the fact that this is a resource, and the HPC should try to hold the public to a pretty high standard of retaining historic resources. If the HPC is going to allow the County to acquire historic resources, how then can they demolish them, how is the HPC even going to make members of the public live by these standards and cherish historic resources. The County did acquire a historic resource and they should be putting all their efforts into finding a way to reuse it, not to demolish it.

Commissioner Anderson stated that she does not see the history of grain elevators becoming living corridors as being successful. The economic development of the neighborhood is very dependant on something positive happening to these elevators. If these were the only elevators in the city she said she would feel quite differently. Right now, as they stand, they are nothing but a monument. She does not see any practical way of turning them into any put a piece of historical sculpture. There are a number of grain elevators left in the city. When the greenway opens, this property is going to become very valuable and she believes the price of units there will become a factor that she would not worry about in comparison. The proximity to the greenway is important. The neighborhood is in desperate need of something of economic value to occur here.

MOTION by Commissioner Anderson to **adopt** the staff recommendation, to adopt staff findings and approved the Certificate of Appropriateness for demolition with a stipulation that the HPC be part of the mitigation proposals. **SECOND** by Commissioner Stevens.

ROLL CALL VOTE:

Yeas: Anderson, Dunn, Koski, Messenger, Stevens. **Nays:** Grover, Glancy, Housum. **MOTION APPROVED** 5-3, with no abstentions

3. **419 Fifth Street Southeast, Fifth Street Southeast Historic District, by David Heide Design, for a Certificate of Appropriateness to construct a two-story, rear addition. (Staff, Amy Lucas)**

Ms. Lucas presented the staff report recommending HPC adopt staff findings and approve the Certificate of Appropriateness as proposed.

The public hearing was then opened.

No one wished to speak for or against the application. The public hearing was then closed and there were no comments from the Commissioners.

MOTION by Commissioner Housum to **adopt** the staff recommendation, to adopt staff findings and approve the Certificate of Appropriateness as proposed. **SECOND** by Commissioner Koski.
MOTION APPROVED with no abstentions.

4. 706-08 South First Street, St. Anthony Falls Historic District, by the Minnesota Historical Society, for an Historic Variance for a 15'9" x 14'0" roof sign. (Staff, Greg Mathis)

Commissioners Koski excused himself because his firm is doing design work for this project.
Commissioner Stevens excused himself because he is employed by the applicant.

Mr. Mathis presented the staff report recommending the HPC adopt staff findings and forward to the City Council a recommendation to approve an historic variance to allow the proposed roof sign, subject to the following conditions:

1. The sign must comply with all of the conditions imposed by the HPC when the HPC approved a Certificate of Appropriateness for the sign.
2. The Historic Variance is only valid for the proposed 14'0" wide x 15'9" tall roof sign. The sign cannot be changed in any way. If the sign is removed, a new application for an Historic Variance shall be required.

Commissioner Housum asked if the only real difference between what the HPC did in January and now, is that the HPC approved a Certificate of Appropriateness, but did not approve a Historic Variance to put up the rooftop sign that the HPC approved in January. Mr. Mathis responded by saying that when he discussed this project with development services and zoning staff (January), they indicated that the applicant would have to get some Planning Commission approvals and that the applicant should seek a variance for the roof sign through that venue. After that process was initiated and after the HPC approved the sign, the Planning Department realized that roof signs are prohibited under the zoning code and as interpreted by the zoning code you cannot apply for a variance for any type of prohibited sign in the zoning code, therefore they have to come back here and seek the Historic variance. If we would have known that in January we would have had them apply for the Historic Variance at that time.

The public hearing was then opened.

Bill Keyes from the Minnesota Historical Society and the project manager for the Mill City Museum spoke. He said he hopes that the Commission will accept the recommendation of staff, he feels is an appropriate one.

No one else wished to speak for or against the application. The public hearing was then closed and Commissioner comments taken.

MOTION by Commissioner Housum to **adopt** the staff recommendation, to adopt staff findings and forward to the City Council a recommendation to approve an historic variance to allow the proposed roof sign, subject to the staff recommended conditions. **SECOND** by Commissioner Glancy.
MOTION APPROVED with Commissioners Koski and Stevens abstaining.

MOTION by Commissioner Housum to adjourn. **SECOND** by Commissioner Glancy. **MOTION APPROVED** with no abstentions.

The meeting was **ADJOURNED** at 6:09 p.m.

DRAFT